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$2.00 a copy; $64 a year

October 24, 1988

Advertising Age

Crain's International Newspaper of Marketing. In Two Sections. Section 1.

Tobacco tug of war

RJR, Philip Morris try divergent tactics

Illustration by Roger Schillerstrom

An Advertising Age roundup

The nation's two biggest tobacco competitors stunned the world last week when they chose dramatically different paths for growth in the face of languishing cigarette sales.

The marketing implications of the moves could be enormous.

Philip Morris Cos., newly installed as the nation's biggest advertiser, offered $11.4 billion—or more—for Kraft to fatten the tobacco company's global marketing presence.

The deal, if completed, would create the nation's first $2 billion advertiser, giving PM spending clout nearly equal to the entire tobacco industry's $2.5 billion.

But PM Chairman-CEO Hamish Maxwell's dramatic bid was quickly upstaged barely 48 hours later: F. Ross Johnson, RJR Nabisco president-ceo, announced he wants to take his company private in a $17.6 billion leveraged buyout. If completed, it would be the largest corporate deal ever made.

PM's move would continue the trend of tobacco companies' lessening dependence on tobacco through diversification; Mr. Johnson's plan for RJR would take the company out of public view, allowing executives to remake the company as they please, unfettered by pressures from Wall Street and shareholders.

Each approach has risks. For PM, the Kraft acquisition could prove extremely costly if it doesn't meet management's expectations, as earlier acquisitions apparently have failed to do.

For RJR, it has put itself on the block, so to speak, and could be taken over by an outside entity if management's offer doesn't work out.

The moves, though coincidental in timing, are sparked by the same dilemma: tobacco is the poor little rich boy of business.

Although a cash-rich industry, tobacco companies' stocks have been undervalued by Wall Street in the face of concern about potential liability and increasing public and regulatory pressures on tobacco products. Every product is scrutinized and attacked in an industry already suffering from declining sales.

While Mr. Maxwell appears to be taking PM on a traditional and well-established diversification route, RJR's Mr. Johnson is taking a new tack for the tobacco industry.

Observers are mixed over whether the leveraged buyout would be followed by divestiture of key divisions to pay off debt.

(Continued on Page 90)

Last Minute News

Gallo loses Crawford

MODESTO, CALIF.—John Crawford Creative, San Francisco, last week quit E&J Gallo Winery's Bartles & Jaymes wine cooler business. The creative boutique had been creating B&J spots for Gallo since early this year. Sources say Gallo is in contact with other creative resources, including Los Angeles production house Bert, Barz & Kirby, about continuing the Frank & Ed saga. Hal Riney & Partners, San Francisco, resigned the $75 million overall Gallo account in December (AA, Dec. 7).

EPB to buy troubled Va. shop

RICHMOND, VA.—Earle Palmer Brown Cos., Bethesda, Md., this week is expected to buy part of what's left of financially strapped Ford & Westbrook here and F&W's subsidiary, Martin Remick Moore. EPB plans to merge the purchase into its Richmond office and hire Bill Westbrook, Ford & Westbrook's former partner and creative chief, sources said. The sources added that such a move

(Continued on Page 8)

• Riney envy hits new heights—P. 24

• Execs tell how to fix America—P. 46

Audi, GMC Truck drop network TV from media plans

By RAYMOND SERAFIN

Audi of America and GMC Truck are dropping network TV from their 1989 model year media plans because of high costs and questions about the effectiveness of the buys.

Both marketers are shifting out of TV in favor of print and several other media to develop consistency in reaching target groups.

Combined, the two spent $22 million on network TV and another $10 million on spot TV in 1987, according to Leading National Advertisers.

The shift is intended to "maximize efficiency and effectiveness," said Mike Wilberding, senior VP-account representative on GMC Truck at McCann-Erickson, Troy, Mich.

Anthony Kirton, director of marketing for Audi, a unit of Volkswagen of America, said, "We really can't afford the cost [of network TV] on an ongoing basis. To run a six-week flight, we'd spend 30% of our budget."

But he added, "For any major new-product launch in the future, we'll still use TV." DDB Needham Worldwide's Troy and Chicago offices handle Audi.

Factors other than just budget entered into consideration, Mr. Kirton said.

"One of the complications of TV

(Continued on Page 92)

Ad Age magazine editor of the year

Photo by Annie Leibovitz

Tina Brown mixes glitz and grit at *Vanity Fair*, making her Ad Age's first Magazine Editor of the Year *(see story after Page 56)*.

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ANA hits NAAG

Responds to car-rental ad rules

By JENNIFFER LAWRENCE and SCOTT HUME

The Association of National Advertisers blasted proposed car-rental ad guidelines last week, saying they might cripple broadcast advertising and violate the U.S. Constitution.

The ANA, which opened its annual meeting in New York last weekend, urged the National Association of Attorneys General task force on car-rental advertising and practices to "reconsider the guidelines in light of constitutional requirements" that courts have found protect advertising from overregulation.

The recommendation was made in a seven-page letter from ANA Senior VP Dan Jaffe to Art Weiss, Kansas deputy attorney general.

The American Advertising Federation and the American Association of Advertising Agencies also filed comments with the task force late last week. Both groups are concerned about lengthy disclosure requirements in price ads.

But it's unlikely NAAG will back off its regulatory warpath after successfully implementing airline ad guidelines (AA, Sept. 7, 1987, *et seq.*) and moving on to other areas like health/nutrition food claims and automobile advertising (AA, Oct. 3).

"I think this is a phony issue," California Senior Assistant Attorney General Herschel Elkins said of the ANA's belief that the states are acting beyond their authority. "These are not statutes. We won't throw out the whole guidelines, but we will listen to specific recommendations. . . . We don't intend to have a guideline on every subject known to man."

The NAAG task force circulated

(Continued on Page 92)

Tracy-Locke stumbles in Los Angeles

By CLEVELAND HORTON

LOS ANGELES—Abandoned by Princess Cruises' estimated $20 million account, Tracy-Locke last week laid off eight employees just as it's trying to build its presence here.

The loss of the cruise ship account in mid-October (AA, Oct. 17) "forced us to assess the needs and the service requirements for Taco Bell," the agency's only other significant account, said Tom Morris, exec VP-director of client services.

T. Morris

With the $60 million-plus Taco Bell business, the office remains financially stable, Mr. Morris said. Unlike the demise of Tracy-Locke's Denver office, the shop here will "live to see another day," he said.

Earlier this year in Denver, Tracy-Locke lost Mountain Bell when U.S. West consolidated the accounts of its regional telephone companies. Once a full-service shop, the Denver operation is now simply a service office.

Similar to the Denver situation, Tracy-Locke here has suffered from a new-business drought and several shifts in its management suite.

With the exception of Princess Cruises, Tracy-Locke's West Coast office hasn't won any new business since it opened three years ago at Taco Bell's request. During the same period, the agency has restructured its management three times. It now has 102 employees.

Most recently, Chairman-Chief Creative Officer Phil Slott moved here from Dallas to inject new creative life into the agency. According to sources, Mr. Slott brought with him the creative portion of Frito-Lay's Doritos account.

The office is interviewing public relations agencies to help the agency create a better image for itself in California.

Tracy-Locke is pitching several new accounts, including Toshiba America's $6 million copier business.

Although the office doesn't need new business to survive, Mr. Morris acknowledged the importance of winning accounts. "New business helps in building strength, in building a presence," he said.

Highlights

NEWS

6 **Marching to the same drummer**
Eveready Battery Co. tweaks rival Duracell's advertising in its new Energizer TV campaign.

12 **Window & door market opens up**
A consumer marketing war has opened up in the upscale window and door industry.

44 **Stretching into a new trend**
Prepackaged "Multiples" clothes are dividing up the fashion industry.

53 **It's a daily battle in Dallas**
Dallas' newspapers aren't feuding over circulation audits anymore, but the fight to be the hometown favorite continues.

54 **New feather for Pier 1**
Pier 1 Imports will return to TV advertising next spring after a 10-year absence.

68 **Boston shop on the rebound**
Rossin Greenberg Seronick & Hill has rebounded from its ethics battle against Lotus.

72 **Ford flops with Merkur**
Ford Motor Co. hasn't had many flops in recent years, but its German import, Merkur, has fallen into that category.

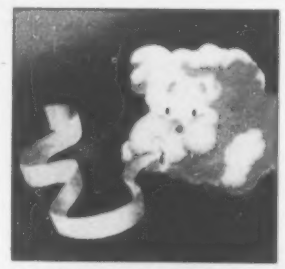
78 **Sony goes ape over new ads**
Sony Corp. of America is monkeying with its tradition.

86 **Old Spice's new stick**
Shulton USA has rechristened Surpass antiperspirant/deodorant as Old Spice Liquid Stick.

87 **Maid to order**
S.C. Johnson & Son is teaming up with Molly Maid Inc., an internationally franchised maid service.

INTERNATIONAL

64 **P&G reaches for Japan's summit**
Procter & Gamble Co., aiming to triple its sales in Japan within three years to more than $2 billion, reportedly is gearing up its most aggressive marketing push there to date.



AD REVIEW: White Cloud turning shades of gray. P. 94.

SPECIAL REPORT: Magazines starts after P. 56.

Departments

Brady	58
Brady's Bunch	28
Calendar	72
Classifieds	83
Currents	42
Direct Marketing	52
Editorials	16
For the Record	89
Forum	20
Garfield	60
Global Gallery	38
Letters	22
MediaWorks	76
Obituary	28
People	82
PeopleWorks	80
Photo Review	32
The Next Trend	58
Words	60

Vol. 59, No. 45—ADVERTISING AGE (ISSN 0001-8899) is published weekly except semiweekly the fourth week in March and the fourth week in September at 740 Rush Street, Chicago, Ill. 60611-2590. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 965 E. Jefferson, Detroit, Mich. 48207. $2.00 a copy. $64 a year, $109 two years. Add $104 per year for air delivery to Europe & Middle East. Add $49 for surface mail to all other foreign countries. WILLIAM STRONG, VP-circulation; JOHN HUFFMAN, fulfillment director; DAVE KELLEY, circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to Circulation Department, Advertising Age, 965 E. Jefferson, Detroit, Mich. 48207. 1-800-992-9970. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691. AD AGE is available for electronic retrieval on the NEXIS® Service, Mead Data Central, Inc., P.O. Box 933, Dayton, O. 45402 (800 227-4908).

Olympics ads score: Lintas

By VERNE GAY

NEW YORK—Despite disappointing ratings for NBC-TV's broadcast of the 1988 Summer Olympics, several advertisers emerged as big winners in ad recall, according to a new study by Lintas:USA.

Although the survey showed viewers complained a lot about ad clutter, their opinions of most advertised products weren't affected adversely or positively. That finding led Lintas executives to conclude the Olympics still are an effective ad vehicle.

> *"I can say that the Olympics are still a damned good event. Clients are not wasting their money by getting involved."*

Spots for McDonald's Corp. were found to have the highest unaided recall among viewers in the survey. Of those questioned, 23% recalled the McDonald's commercials without prompting. Anheuser-Busch placed second (17% recalled), and General Motors Corp. and Coca-Cola Co. third (7%).

Other advertisers mentioned included Miller Brewing Co. (6%), GM's Chevrolet (4%), Eastman Kodak Co. (3%), K mart Corp. (3%) and Reebok International (3%).

Viewers only recalled three other advertisers: IBM Corp., Visa International and American Express Co. However, only 2% or less of those surveyed remembered their ads.

The Lintas executives said GM's recall was lower because there were several GM divisions as advertisers, as opposed to a single dominant advertiser. With a $40 million-plus Olympics budget, GM was the biggest NBC advertiser.

The survey showed that 69% of the viewers said they were "satisfied or somewhat satisfied" with the telecasts, but 67% said there were too many commercials during the 179½-hour broadcast.

The viewers who said they were dissatisfied cited "too many ads," not enough coverage of events they liked and overexposure of Bryant Gumbel, the telecast's anchor.

Complaints of excessive advertising weren't without merit; Lintas executives said NBC ran about 10.2 minutes of commercials per hour. ABC-TV's 1984 Summer Olympics telecast had 8.4 minutes per hour; the average prime-time commercial load is 7 minutes.

Lintas, through Survey Sampling, a Fairfield, Conn.-based market researcher, commissioned the survey to determine how viewers watched the telecasts and whether the weaker-than-expected ratings on the telecasts were symptomatic of a bigger problem, said Lintas Exec VP Lou Schultz. NBC got an average

(Continued on Page 92)

Eveready hops on Duracell's idea

Eveready Battery Co.'s Energizer unleashes a room full of drum-banging pink bunnies (above) to take a jab at Duracell. Undaunted, Duracell is reviving its own rabbit to participate in a new promotion.

By JULIE LIESSE ERICKSON

Eveready Battery Co. tweaks rival Duracell's advertising in the new Energizer TV campaign it unveiled last week.

In place of former loudmouth spokesman Jacko, the new effort parodies Duracell's windup-toy commercials.

Eveready's new campaign ends Jacko's tenure as Energizer spokesman, though sources say the Australian media star probably will be featured in short-term promotions.

The new Energizer spot stars a mechanical pink bunny similar to one Duracell used in TV commercials several years ago and is reviving for a fall promotion.

The Energizer spot, which broke on NBC-TV's World Series telecast, uses a room full of mechanical pink bunnies to mimic Duracell.

"For years, one of our competitors has been telling you they have the longest-lasting battery," the voice-over says. "But they haven't invited us to the party."

As one by one the bunnies stop drumming, a larger pink bunny—carrying a drum with an Energizer logo—struts past.

The new Energizer tagline is "A word to the wise: energize." DDB Needham Worldwide, Chicago, handles the $30 million campaign.

Duracell, which is recycling its bunny as part of a major fall promotion, criticized the Energizer campaign.

Eveready's "use of our pink bunny shows just how effective Duracell's advertising has been," said Jim Donahue, Duracell's director-communications. "Eveready also is showing that they are questioning the marketing decisions made over the past two years."

In the new promotion, Duracell will give away more than $1 million in prizes to consumers collecting game cards from Duracell battery packages. Each "Power Picture" game card features one of the toys used in the Duracell campaign.

Print ads will support, starting in early December. Ogilvy & Mather, New York, handles Duracell's $30 million account.

Rayovac Corp., meanwhile, marches to the beat of a different drummer in its own new $12 million campaign, breaking tonight.

The new campaign, themed "Batteries that turn people on," dramatizes situations described in consumer letters to the company. One features a raving husband playing with a remote-control toy car; his wife complains to Rayovac that the batteries should have died a long time ago.

The other spot shows a couple dusting off a battery-operated back-scratcher, whose batteries still work after 18 years. Visitors are treated to back-scratching—even the pizza delivery man.

"A lot of Rayovac's competitors are parts of conglomerates and have changed ownership over the past few years. We wanted to portray Rayovac with the words and endorsements of real consumers," said Cynthia Perry, senior VP-management director at FCB/Leber Katz Partners.

A husband, obsessed with a remote-control car, drives his wife to complain to Rayovac that the batteries should be dead by now.

Additional TV executions—some featuring Rayovac's flashlight line—newspaper ads and holiday magazine ads are also planned.

In the past year, both Rayovac, with a 14% estimated share of the $2.5 billion U.S. battery market, and Duracell, with 28%, have gained on Eveready, whose share now stands at 37%, according to figures compiled by A.C. Nielsen Co. and other measurement services (AA, July 11). Eveready had a 50% share when Ralston Purina Co. bought it in 1986.#

Gary Levin in New York contributed to this story.

If you're looking for food sales, there's a market in Michigan that'll make your mouth water.

If you're hungry for an appetizing market, here's a place you can sink your teeth into–Booth, Michigan. By consuming over $2.5 billion worth of groceries per year, we make up America's 18th largest food market. Detroit papers only reach 11% of the Booth market. A market whose food sales have grown nearly 5 times faster than Detroit's in the last five years. And we've got impressive numbers in other markets, too. We're America's 15th largest retail market. And number nine in general merchandise sales. If you and your clients are looking for numbers that are easy to swallow, phone Booth Newspapers at (313) 540-5600. You get 8 newspapers at a 15% discount with just one call. One order. One bill. Represented nationally by Newhouse Newspapers.

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Ann Arbor News • Bay City Times • Flint Journal • Grand Rapids Press • Jackson Citizen Patriot • Kalamazoo Gazette • Muskegon Chronicle • Saginaw News

Source: Survey of Buying Power 7/86. Circulation 86-87

CORRECTIONS & CLARIFICATIONS

- Casey McCabe, author of a "Forum" article (AA, Oct. 10, P. 18), who's now a freelancer, was formerly at Young & Rubicam, not McCann-Erickson.
- A chart listing SAMI/Burke statistics on sales of dried fruit snacks (AA, Oct. 3, P. S-6) used inaccurate numbers. The following are the correct numbers: Sales of fruit rolls and bars: 1983—$113.2 million; 1984—150.4; 1985—211.7; 1986—272.7; 1987—312.0. All other dried fruit: 1983—$414.4 million; 1984—391.6; 1985—383.8; 1986—411.0; 1987—433.2.#

Ad-to-sales ratio study uncovers big hikes

EVANSTON, ILL.—Candy, costume jewelry, motion pictures, and perfume and cosmetics are among the major U.S. industries that boosted their average ad spending growth rate by 25% or more this year, according to a new study by Schonfeld & Associates.

Using data from more than 5,700 companies, Schonfeld has compiled estimates of 1988 advertising-to-sales ratios for more than 390 U.S. industry sectors *(see chart)*.

In 1988, the candy industry is expected to raise its ad spending growth rate by 28.7%; costume jewelry will boost its rate 26.7%; movies by 30.4%; and perfume and cosmetics by 32.3%.

Among the major categories expected to show significant downturns in the growth rate are food stores (down 47.4%), leather products (down 12.6%) and shoe stores (down 10.9%).

Schonfeld also has a more complete "Advertising Ratios & Budgets" report that contains ad-to-sales ratios and ad-to-gross margin ratios for individual companies, and high and low ranges for ratios by company. In addition, it contains forecasts of 1989 ad spending by company, grouped by industry sector.

Estimates for the categories of advertising and ad agencies showed that aggregate company ad expenditures will be up more than 25% this year.

The data are compiled from a variety of sources, including the 10-K reports of publicly held companies. Estimates and forecasts are based on trends developed through historical data.

To make the forecasts, Schonfeld applied three techniques to historical data for each company. These methods include projecting a time trend, estimating using a multivariate industry model and extrapolating using a constant ratio model. The final forecast is a weighted composite of the forecasts from each method.

Based on these data, the table here shows industries listed by four-digit standard industrial classification code, advertising expenditures as a percent of sales and as a percent of gross margin (net sales minus cost of goods sold), and the expenditure growth percentage for 1988 compared to 1977.

Eugene P. Schonfeld, author of "Advertising Ratios & Budgets," notes that cautious interpretation is advised in using the data, since:

1. Expenditures included as advertising in 10-K reports may vary from company to company.

2. Events such as mergers, acquisitions and divestitures may distort spending patterns.

3. Private ownership of very large companies in specific industries may mean that some advertisers are omitted.

4. Multi-industry companies are reported only in their primary industry (based on sales of their dominant line of business). This may overstate expenditures in the primary industry and understate expenditures in the subsidiary industries.

Copies of the complete 205-page study are available from Schonfeld & Associates, 2530 Crawford Ave., Evanston, Ill. 60201. Phone: (312) 869-5556. Price is $295, or $275 prepaid. Data are also available on diskettes. #

Advertising-to-sales ratios, 1988 estimates (by industry)

Legend: SIC: Standard industrial classification. NEC: Not elsewhere classified. Ad dollars as per cent of sales: Ad expenditures/net sales. Ad dollars as per cent of margin: Ad expenditures/net sales-cost of goods sold. Annual growth rate: of advertising dollars. *Source:* Schonfeld & Associates, 2530 Crawford Ave., Evanston, IL (312) 869-5556.

Industry	SIC no.	Ad dollars as per cent of sales	Ad dollars as per cent of margin	Annual growth rate (%)
Abrasive, asbestos, misc minerals	3290	1.7	4.9	7.4
Adhesives & sealants	2891	4.2	9.0	12.8
Advertising	7310	1.2	3.6	26.4
Advertising agencies	7311	0.1	0.5	25.8
Agricultural services	780	1.7	4.8	13.3
Agriculture production-crops	100	2.9	8.4	4.2
Air cond, heating, refrig equip	3585	1.5	5.7	13.7
Air courier services	4513	2.1	12.2	9.3
Air transportation, certified	4511	1.8	14.8	10.6
Alarm & signaling products	3669	2.2	5.7	5.5
Amusement, except motion pictures	7900	3.9	8.5	21.6
Apparel & accessory stores	5600	2.3	5.8	12.4
Apparel, piece gds, notions-whsl	5130	5.6	17.9	39.8
Apparel & other finished prods	2300	2.9	8.0	11.9
Auto & home supply stores	5531	2.6	7.3	20.5
Automatic mdse mach operators	5962	1.7	2.9	8.5
Auto rent & lease, no drivers	7510	2.9	4.3	12.6
Auto repair, services, garages	7500	4.0	16.6	11.9
Automatic regulating controls	3822	1.5	6.0	(30.5)
Autos & other vehicles-whsl	5012	2.6	20.2	19.6
Bakery products	2050	1.9	4.2	7.2
Beverages	2080	0.5	15.6	9.1
Biological products	2831	1.7	3.6	11.2
Blankbooks, binders, bookbinding	2780	2.8	6.7	10.6
Bldg matl, hardware, garden-retl	5200	4.5	11.1	(9.4)
Blowers, exhaust, vent fans	3564	2.1	5.6	21.0
Books: pubg, pubg & printing	2731	3.8	6.4	11.1
Bottled & canned soft drinks	2086	1.4	3.1	17.2
Brd woven fabric mill, cotton	2211	1.9	8.4	9.9
Business services, NEC	7389	5.3	12.9	13.8
Cable television operators	4841	1.9	3.3	18.6
Can fruit, veg, preserv, jam, jel	2033	2.0	5.7	0.3
Can, preserve fruit, vegetable	2030	6.8	17.3	10.1
Candy & other confectionery	2065	5.8	14.4	28.7
Catalog showrooms	5334	3.7	15.5	2.8
Chemicals & allied prods-whsl	5161	3.5	6.1	15.0
Chemicals & allied prods	2800	2.6	6.4	14.3
Cigarettes	2111	5.1	11.2	9.8
Computer program & software svcs	7372	3.5	8.0	17.8
Coating, engraving, allied svc	3470	2.6	4.7	(1.0)
Comm & signaling devices, NEC	3669	1.2	3.7	(0.3)
Commercial printing	2750	1.2	4.1	8.1
Comml machines & equip-whsl	5081	1.9	7.5	15.3
Communication services, NEC	4890	4.1	16.9	(6.6)
Computer disk & tape drives	3684	1.2	4.0	19.1
Computer equipment, NEC	3699	1.9	4.8	16.5
Computer peripherals	3668	2.3	6.4	6.0
Computer related svcs, NEC	7379	1.6	2.7	4.2
Computer terminals	3663	1.6	3.6	3.3
Computers-mainframe	3683	1.3	2.1	14.5
Computers-mini & micro	3681	5.1	10.1	9.6
Connectors, electr applications	3679	1.2	2.8	14.9
Construction machinery & equip	3531	1.3	5.2	9.6
Construction-special trade	1799	9.0	20.1	25.1
Convenience stores	5412	1.6	5.3	(3.5)
Convrt, paprbrd prods, ex contain	2640	1.9	4.2	7.1
Cookies & crackers	2052	4.8	9.6	7.5
Costume jewlry, buttons, notions	3960	2.3	6.0	26.7
Cutlery, hand tools, gen hardware	3420	9.5	18.8	10.2
Dairy products	2020	4.9	17.8	4.8
Data processing services	7374	1.2	3.5	6.9
Deep sea foreign transport	4411	4.9	11.1	9.3
Department stores	5311	2.9	11.8	7.2
Direct mail advertising svcs	7331	0.2	0.9	12.6
Dolls	3942	16.5	42.0	11.9
Drawing, insulating nonfer wire	3357	3.2	19.8	(4.8)
Drug & proprietary stores	5912	1.6	5.6	10.7
Drugs	2830	4.4	7.1	0.1
Eating & drinking places	5810	5.6	44.4	10.3
Eating places	5812	3.4	16.8	7.0
Educational services	8200	5.0	9.5	17.0
Elec & Elec mach, equip, supply	3600	1.8	5.8	13.7
Elec meas & test instruments	3825	2.5	4.5	6.7
Electr corr, transfrmr, inductr	3677	1.9	4.9	5.0
Electric housewares & fans	3634	6.8	27.6	(0.2)
Electric lighting, wiring equip	3640	1.1	2.6	7.5
Electrical industrial apparatus	3620	2.5	9.2	2.3
Electronic components, NEC	3679	2.3	6.5	11.5
Electronic computing equip	3680	1.2	2.5	7.7
Electronic parts & equip-whsl	5065	1.3	4.2	7.6
Engines & turbines	3510	1.8	6.3	12.3
Engr, lab & research equip	3811	1.7	4.0	16.9
Equip rental & leasing svcs	7394	3.5	5.2	5.7
Fabricated rubber prods, NEC	3069	1.1	3.7	10.5
Fabricated structural metal	3440	1.6	7.0	(3.4)
Family clothing stores	5651	2.0	6.3	12.5
Farm machinery & equipment	3523	1.6	9.3	2.6
Farm & garden machinery & equip	3520	3.4	10.9	5.9
Floor covering mills	2270	1.1	3.0	17.6
Food & kindred products	2000	7.3	35.0	13.6
Food stores	5400	0.6	2.3	(47.4)
Footwear, except rubber	3140	3.2	8.2	(4.4)
Freight forwarding	4712	3.6	20.4	24.6
Furniture, home furnish stores	5700	5.0	10.4	11.7
Furniture stores	5712	7.2	16.0	6.3
Furniture & home furnish-whsl	5020	7.0	21.4	(23.2)
Games, toys, child veh, ex dolls	3944	16.4	37.6	12.5
Glass containers	3221	6.1	12.3	47.2
Glass, glassware-pressed, blown	3220	2.0	5.7	7.5
Grain mill products	2040	9.3	19.3	10.0
Greeting card publishing	2771	4.8	9.2	9.5
Groceries & related prods-whsl	5140	1.2	11.8	5.1
Grocery stores	5411	1.4	5.7	5.6
Hardware, plumb, heat equip-whsl	5070	6.4	50.1	17.7
Health services	8000	3.3	28.0	24.2
Heating equip, plumbing fixtures	3430	3.3	8.6	17.7
Hobby, toy & game shops	5945	1.5	4.6	10.5
Hospitals	8060	5.8	35.4	17.6
Hotels, motels, tourist courts	7011	3.8	12.3	5.5
Household appliances	3630	2.6	9.5	20.5
Household furniture	2510	3.4	10.9	16.4
Ice cream & frozen desserts	2024	7.9	32.1	19.8
Industrial controls	3622	1.7	8.3	16.8
Industrial mach & equip-whsl	5084	2.0	5.8	20.4
Industrial measurement instr	3823	1.7	4.1	7.0
Jewelry, precious metal	3911	1.7	3.6	15.4
Jewelry stores	5944	3.9	8.6	(5.8)
Jewelry, watches, diamonds-whsl	5094	4.7	23.0	11.6
Knit outerwear mills	2253	1.8	6.5	6.4
Knitting mills	2250	2.9	10.2	15.9
Leather & leather products	3100	9.1	27.8	(12.6)
Lumber & constr matls-whsl	5030	2.2	12.3	4.6
Lumber & other bldg matls-retl	5211	2.2	7.9	9.1
Machine tools, metal cutting	3541	2.0	7.7	(1.2)
Machinery & equipment-whsl	5080	1.3	4.3	7.3
Mail order houses	5961	6.8	28.8	14.2
Malt beverages	2082	6.7	21.2	6.8
Measuring, controlling instr	3820	4.8	23.2	13.5
Meat packing plants	2011	1.3	9.8	14.6
Medicinal chems, botanicl prods	2833	4.9	6.9	25.6
Men, yth, boys furnsh & work clthg	2300	2.4	10.6	12.2
Metal cans	3411	1.7	6.8	4.0
Metal forgings & stampings	3460	1.8	6.3	1.9
Metal office furniture	2522	1.8	4.4	23.1
Metalworking machinery & equip	3540	5.4	13.6	6.5
Managmt, consulting & PR svcs	7392	1.8	8.5	(3.6)
Misc amusement & rec service	7990	6.1	14.4	13.4
Misc chemical products	2890	2.8	7.6	8.6
Misc elec machy, equip, supplies	3690	2.8	10.6	10.3
Misc food preps, kindred prods	2090	2.8	7.5	9.9
Misc furniture & fixtures	2590	1.4	5.1	16.7
Misc machinery, ex electrical	3990	1.7	4.9	3.9
Misc manufacturing industries	3990	2.2	5.8	7.9
Misc nondurable gods-whsl	5190	1.8	5.3	34.0
Misc plastics products	3079	2.3	6.8	10.5
Misc repair services	7690	6.1	13.6	12.1
Misc transportation equip	3790	3.3	14.5	6.6
Miscellaneous publishing	2741	1.1	2.0	16.9
Miscellaneous retail	5900	5.3	13.5	11.5
Mining, quarry nonmtl minerals	1400	1.7	4.2	17.6
Mobile home dealers	5271	1.6	5.1	25.5
Mobile homes	2451	1.6	6.7	(1.0)
Motion picture distr & svcs	7820	6.8	18.1	30.4
Motion picture prodtn, ex TV	7813	8.9	14.3	12.9
Motion picture production, svcs	7810	7.4	21.3	16.9
Motion picture production TV	7814	8.8	15.8	21.7
Motion picture theaters	7830	4.1	19.3	19.8
Motor vehicle parl, accessory	3714	1.6	6.1	12.6
Motor vehicles & car bodies	3711	1.6	9.0	9.1
Motorcycles, bicycles & parts	3751	2.0	7.9	34.8
Motor veh, parts, supplies-whsl	5010	1.3	5.1	3.8
Music stores	5733	1.2	3.0	12.5
Musical instruments	3931	3.3	10.8	9.4
Newspaper: pubg, pubg & print	2711	3.9	9.2	28.7
Office automation systems	3087	2.3	4.1	13.5
Office, computing, accting mach	3570	1.2	2.0	10.0
Office furniture	2520	1.4	3.8	6.3
Operative builders	1531	1.9	11.6	34.9
Operators-nonres bldgs	6512	3.8	7.7	7.3
Ophthalmic goods	3851	2.0	8.0	14.8
Optical instruments & lenses	3832	1.5	3.3	11.5
Ordnance & accessories	3480	2.5	9.8	17.7
Ortho, prosth, surg appl, supply	3842	1.8	4.2	10.0
Outpatient care facilities	8081	1.1	11.5	23.4
Paints, varnishes, lacquers	2851	3.1	8.4	5.6
Paper & allied products	2800	3.8	14.4	10.7
Paper mills, ex bldg paper	2821	2.9	9.0	5.5
Partitions, shelving, lockers	2540	1.9	5.2	(2.5)
Patent owners & lessors	6794	1.9	6.0	11.1
Paving & roofing materials	2950	2.2	3.8	(7.7)
Pens, pencils, other office matl	3950	5.2	11.0	7.2
Perfume, cosmetic, toilet prep	2844	10.2	16.2	32.3
Periodical: pubg, pubg & print	2721	3.4	6.2	3.5
Personal services	7200	3.7	13.0	4.8
Personnel supply services	7360	4.6	30.2	53.4
Petroleum, ex bulk stats-whsl	5172	2.2	90.2	(35.9)
Pharmaceutical preparations	2834	7.0	10.5	9.3
Phono records, magnetic tape	3652	10.7	32.5	72.5
Photofinishing laboratories	7395	1.8	4.4	7.4
Photographic equip & supplies	3861	3.2	6.5	9.5
Plastic matl, synthetic resin	2820	1.4	7.2	22.2
Plastics, resins, elastomers	2821	1.8	4.9	(13.7)
Pottery & related products	3260	1.8	9.8	16.7
Poultry dressing plants	2016	2.8	14.0	17.3
Prefab wood bldgs & components	2452	1.2	5.2	11.2
Printing trades machy & equip	3555	1.3	3.4	13.4
Professional equip & supply-whsl	5088	3.5	12.1	15.3
Pumps & pumping equipment	3561	1.2	3.3	2.8
Racing, incl track operations	7948	3.5	21.4	2.6
Radio, TV & music stores	5730	1.9	6.0	13.2
Radio & TV stores	5732	5.3	22.2	20.2
Radio broadcasting	4832	8.8	22.5	21.0
Radio & TV receiving sets	3651	3.0	10.8	11.5
Real estate	6500	1.5	4.2	16.2
Real estate agents & mgrs	6531	2.8	10.4	13.4
Real estate investment trust	6798	1.4	2.1	7.6
Refrig & service ind machine	3580	2.1	5.9	5.0
Research & development labs	7391	2.0	10.1	18.8
Robotics	3886	1.5	3.5	(15.5)
Rubber & plastics footwear	3021	4.1	9.8	10.8
Rubber & plastic hose, belting	3041	1.4	5.2	3.0
Sausage, other prepared meat pd	2013	6.5	20.1	5.8
Search, navigatn, guide sys, equip	3664	1.5	6.2	5.6
Security brokers & dealers	6211	3.2	7.9	13.0
Security & commodity brokers	6200	3.8	43.4	0.0
Semiconductor, related device	3674	1.2	2.7	11.6
Sewing, needlework stores	5949	3.9	8.1	5.8
Sheet metal work	3444	1.3	5.7	15.9
Ship & boat bldg & repairing	3730	2.3	18.7	(39.8)
Shoe stores	5661	3.2	8.2	(10.9)
Skilled nursing care fac	8051	3.3	15.7	25.8
Soap, detergent, toilet preps	2840	7.6	16.4	9.0
Social services	8300	1.6	4.5	14.9
Solar energy equip & comp	3437	3.1	17.8	(27.0)
Special cleaning, sanitn preps	2842	14.5	25.3	7.9
Special industry machinery	3550	1.7	5.8	9.3
Sporting & athletic goods, NEC	3949	5.0	14.4	16.2
Sporting & recreatn gds-whsl	5040	4.6	17.7	11.9
Steam supply	4961	2.6	6.0	3.0
Structural clay products	3250	2.4	7.1	(1.8)
Subdivid, develop, ex cemetery	6552	1.9	6.4	4.9
Sugar & confectionery prods	2060	10.8	30.0	8.4
Surgical, med instr, apparatus	3841	2.6	5.0	13.6
Svcs allied with exchanges	6281	8.2	15.1	15.1
Svcs to dwellings, other bldgs	7340	1.9	10.0	(2.8)
Tele & telegraph apparatus	3661	1.6	3.5	10.1
Telegraph comm (wire, radio)	4821	2.7	10.6	13.8
Telephone comm (wire, radio)	4811	1.9	4.3	2.3
Television broadcasting	4833	2.7	7.5	14.2
Temporary help supply svcs	7362	1.3	5.3	6.7
Tires & inner tubes	3011	3.1	9.7	(1.8)
Totalizing fluid meters	3824	2.4	5.6	39.3
Training equip & simulators	3665	1.6	7.5	12.4
Truck & bus bodies	3713	1.1	7.2	15.0
Variety stores	5331	2.2	8.7	9.3
Watches, clocks & parts	3873	2.0	7.4	2.4
Water transportation	4400	1.9	4.9	7.2
Womens, misses, jrs outerwear	2330	1.3	4.2	16.3
Women's ready-to-wear stores	5621	2.7	7.8	9.7
Wood household furn, upholerd	2512	2.9	10.4	10.1

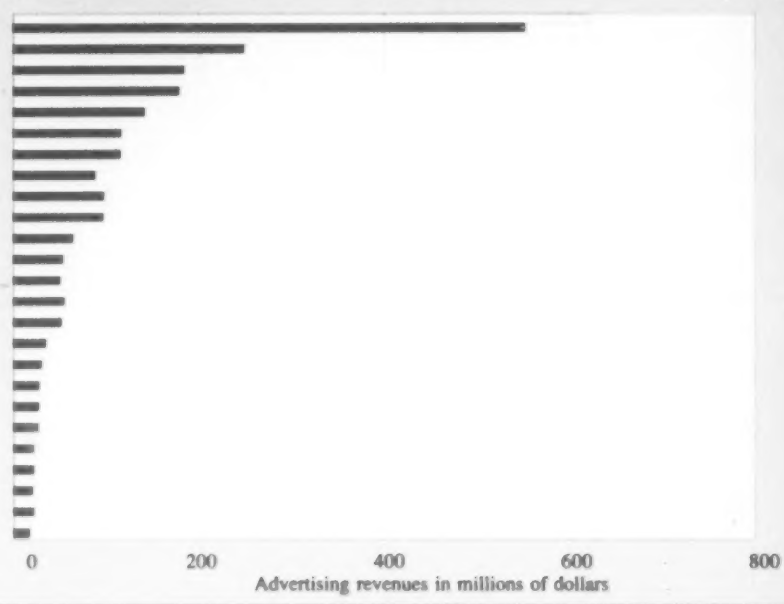
DATA BANK

Ad revenues by group publisher

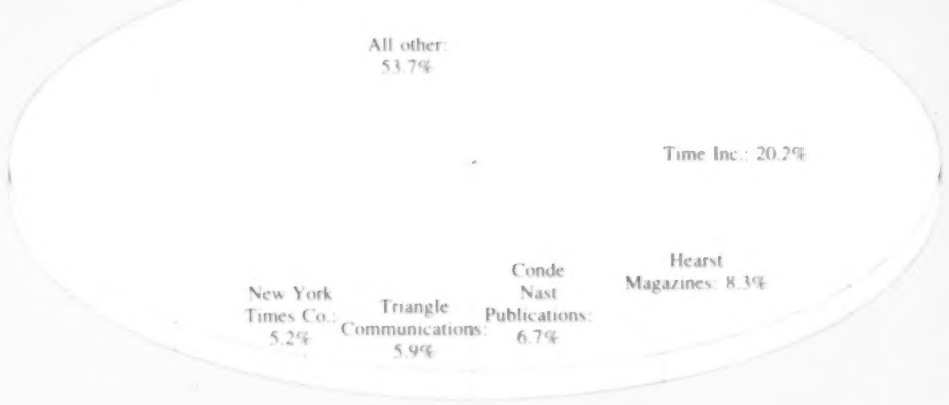
for top 25 companies, six months ending June 30, 1988

Total advertising revenues (in millions)

Magazine group/company	1988	1987	% chg
Time Inc.	$622	$552	12.6
Hearst Magazines	254	250	1.8
Conde Nast Publications	205	185	10.9
Triangle Communications	183	179	1.9
New York Times Co.	159	142	12.3
Meredith Corp.	130	117	11.7
Newsweek Inc.	111	116	(4.2)
Times Mirror Magazines	103	89	16.9
Hachette SA	103	98	5.0
McGraw-Hill Publications	102	97	4.8
Reader's Digest Association	72	64	11.6
Murdoch Magazines	66	54	23.4
U.S. News/The Atlantic	64	50	26.6
Forbes Inc.	59	55	6.4
Working Woman/McCall's Group	50	52	(3.9)
Knapp Communications	41	35	16.7
Gannett	41	30	34.7
Straight Arrow Publishers	36	28	27.3
Petersen Publishing	33	27	20.0
American Express Publishing Corp.	28	26	7.8
Family Media	27	22	20.7
Rodale Press	26	22	17.1
Goldhirsh Group	23	21	9.4
Penthouse International	22	22	(0.5)
Playboy Enterprises	18	17	4.8



Top five group publishers' ad revenues as percentage of six month industry total $3.1 billion



Advertising revenues of the top three magazines of top five group publishers

Time Inc.: $622 million

Time	Sports Illustrated	People Weekly	Other
26.8%, $167	26.3%, $164	21.5%, $133	25.4%, $158

Hearst Magazines: $254 million

Good Housekeeping	Cosmopolitan	Redbook	Other
23.6%, $60	22.5%, $57	13.1%, $33	40.7%, $103

Conde Nast Publications: $205 million

Glamour	Vogue	Mademoiselle	Other
20.8%, $43	18.6%, $38	11.4%, $23	49.2%, $101

Triangle Publications: $183 million

TV Guide	Seventeen
89.1%, $163	10.0%, $18

New York Times Co.: $159 million

Family Circle	New York Times Magazine	Golf Digest	Other	Good Food
39.6%, $63	34.8%, $55	20.2%, $32	5.5%, $9	0.8%, $2

Notes: Ad revenues are in millions of dollars. All figures are for January through June only. In the graphs, white bars indicate 1988 figures, black bars indicate 1987 figures. NA indicates data not available. Sources: Ad revenues from Publishers Information Bureau. Research: Kevin Brown.

As 'People' goes, so . . .

Magazine sales keep pace with America's interests

By Patrick Reilly

As go the masses, so goes *People*. The publication is so keyed to popular tastes that its covers often are seen as dependable barometers of America's interests, passions and concerns.

For years *People's* cover subjects were dictated by a golden rule developed by Richard Stolley, Time Inc.'s director-special projects and *People's* founding managing editor. Stolley's Law read: Young is better than old, pretty is better than ugly, music is better than movies, movies are better than television, television is better than sports and anything is better than politics.

When the Dec. 22, 1980, cover on John Lennon's death broke *People's* newsstand sales records, Stolley's Law was amended. The celebrity dead, particularly still warm, sell best of all.

Under James Gaines, managing editor since 1987, the weekly has taken a noticeable turn toward covers more related to news events or issues of the day.

"The Stolley list of what makes a great cover really doesn't work anymore," says Mr. Gaines. "I would say birth, marriage, divorce, the elemental moments of human life, are what is selling *People* at the moment."

Mr. Gaines points to two recent covers, one of actress Cybill Shepherd, holding her two babies, and one of parents with quintuplets. Both sold equally well on newsstands. "We have found celebrities per se don't sell the magazine as they used to. There was a time *People* could put any hot celebrity on the cover and still make rate base," he says. "Now babies and families sell issues."

Def Leppard, Yves Montand, a new Hulk & those dare Batemans
People weekly
Her Royal Pregnancy
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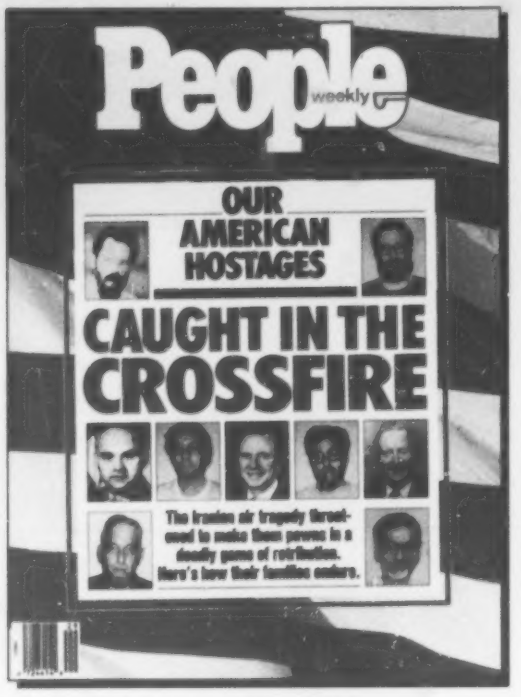

This year's hottest at People: "Burt and Loni's Wedding"; coldest, American hostages in Lebanon.

However, Mr. Gaines violated Stolley's Law this year and got burned. By putting the American hostages in Lebanon on the cover of the July 18 issue—remember, anything is better than politics—Mr. Gaines produced *People's* lowest-selling newsstand issue in its 14-year history. The "Hostage" cover sold only slightly more than 1 million on newsstands, at a time when *People's* average weekly sales topped 1.7 million.

The best seller of 1988 combined both Messrs. Stolley's and Gaines' rules: Two attractive, semi-young TV and movie celebrities getting married. The May 16 issue featuring "Burt and Loni's Wedding," as in Reynolds and Anderson, sold a whopping 2.4 million on newsstands.Mr. Gaines has formulated his own cover law: "There should never be any rules or notions about what should be on a cover. I stay away from concepts on what works on a cover."

So what about Burt and Loni? "I knew Burt and Loni would do well," he says. "Anytime you have two celebrities as big as they are getting married, you are sitting pretty."

End of lesson.

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Marketing and Sales

Data Bank

Biggest drops in single copy sales

from publications with circulation exceeding 1 million

Rank	Magazine	Average single copy sales (1/88-6/88)	% decrease from same period '87
1	Playboy	908,246	32.2
2	The Workbasket	15,800	27.5
3	Health	6,013	22.3
4	Changing Times	31,517	21.0
5	The Family Handyman	44,926	20.8
6	Family Circle	4,205,927	20.1
7	Home Mechanix	1,221,206	16.0
8	Sesame Street Magazine	168,926	11.9
9	Popular Mechanics	237,560	11.8
10	Seventeen	418,876	11.1

Source: Audit Bureau of Circulations. Research: Kristine Street.

Biggest jumps in single copy sales

from publications with circulation exceeding 1 million

Rank	Magazine	Average single copy sales (1/88-6/88)	% increase from same period '87
1	Smithsonian	12,834	37.3
2	Rodale's Organic Gardening	7,328	35.8
3	Reader's Digest	1,006,264	25.2
4	Redbook	835,781	17.7
5	Soap Opera Digest	756,703	17.1
6	Country Living	612,426	15.4
7	People Weekly	1,760,918	13.5
8	Prevention	228,910	12.2
9	Sports Illustrated	179,353	10.7
10	Golf Digest	138,647	9.2

Source: Audit Bureau of Circulations. Research: Kristine Street.

SPEAKING WITH AUTHORITY

Agency media buyers

How much emphasis should be put on newsstand sales when making a media buying decision?

John Meskil, exec VP, Warwick Advertising, New York

"It's difficult to determine whether newsstand sales are better than subscription sales. Personally, I like to see as many newsstand sales as possible because they show the desirability of the magazine.

"It's challenging because there are fewer newsstands and there is a lot of competition at the grocery checkout, which makes it particularly tough for magazines that don't tailor themselves to be newsstand sellers.

"Although I like to see as much single-copy sales as possible, generally and increasingly, magazines have to rely on subscriptions to fulfill their rate base so it's not a fundamental consideration when we make a buying decision."

Paul Zuckerman, senior VP, director-media planning and operations, DDB Needham, New York

"I've always felt that newsstand sales are very important because they're indicative of reader involvement with the magazine. That doesn't mean that certain forms of subscriptions don't show the same thing, and that a former newsstand buyer who becomes a subscriber is no longer interesting to us.

"But when circulation is used to show reader involvement with a magazine, it's the newsstand sales that show that, not the reader profile. A study can show how tall you are and how much money you make, but it can't tell if you're involved with the magazine."

David Buckley, VP, media director, The Shalek Agency, Los Angeles

"The importance of newsstand sales varies from client to client and, obviously, from magazine to magazine. Specialty magazines like *Surfer* and *Surfing* are heavy newsstand sellers; they're oriented to that type of product and that type of reader.

"Strategically, we'd gauge what kind of magazine it is and have to judge it specifically based on why it's being used. There's a different level of importance put on newsstand sales in each buy.

"Too often, buyers simply set up a formula, set up all their criteria, and then aren't flexible. You need to adapt, and any smart planner will want to 'deformulalize' the process and make it as human and unique as possible."

Michael Drexler, exec VP, director-national media, Bozell, Jacobs, Kenyon & Eckhardt, New York

"Newsstand sales don't really play a very significant role in the overall analysis when deciding whether to buy a certain magazine. Although they give an indication that there's a general vitality at the magazine, newsstand sales are such a small part of most magazines' circulation that it really can't carry much weight.

"Obviously, you look at it, but you must look at it in terms of what it does for the magazine as a whole.

"Newsstand sales are a highly profitable method of distribution, and although that has to be balanced against the fact that it's more volatile, the profits it generates may miti-

(Continued on Page S-34)

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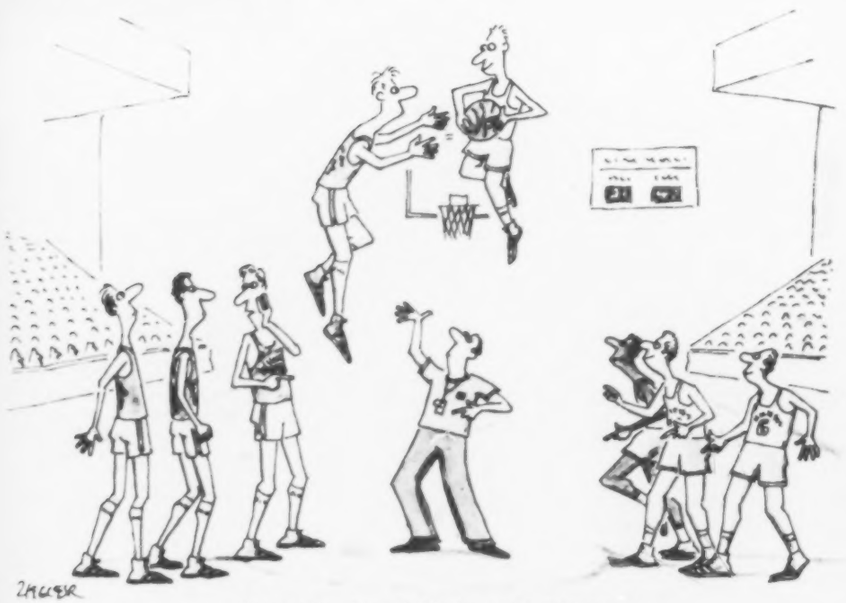

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Data Bank

Top 20 magazines in single-copy sales

averages for six months, January to June 1988

Rank	Magazine	Single copy sales	% of total circulation
1	TV Guide	7,759,577	45.8
2	Woman's Day	5,021,138	97.7
3	Family Circle	4,205,927	71.2
4	National Enquirer	3,853,682	89.5
5	Star	3,097,200	85.4
6	Cosmopolitan	2,603,124	86.3
7	Penthouse	1,817,163	88.5
8	People Weekly	1,760,918	53.7
9	Good Housekeeping	1,477,508	29.3
10	Glamour	1,467,703	68.9
11	Globe	1,461,805	96.3
12	Women's World	1,401,689	100.0
13	National Examiner	1,116,368	98.2
14	Reader's Digest	1,006,264	5.9
15	Ladies' Home Journal	919,091	18.3
16	Playboy	908,246	26.6
17	Redbook	835,781	20.8
18	Mademoiselle	794,960	70.8
19	Self	690,208	56.3
20	Life	666,585	35.7

Source: Audit Bureau of Circulations, Research Alliance News

Crowding crisis on German shelves

There are now 55 titles competing for women's eyes

By Dagmar Mussey

When Conde Nast of Munich started *Vogue* in 1979, German publishing houses were skeptical about its success. There was a suspicion that many Germans would not find the high fashion editorial appealing.

Two years later, the magazine was in the black; ad pages soared, and now have reached about 2,000 annually. *Vogue* grew gradually at first, in part because the international high fashion advertisers hadn't developed high profiles in Germany. Current circulation of the monthly is about 92,000.

It's little wonder German publishing houses today are looking at the upscale women's magazine segment, which provides exclusive target groups for advertisers. The established women's books, including Gruner & Jahr's *Brigitte*, Burda Verlag's *Freundin* ("Girl Friend") and Jahreszeiten-Verlag's *Petra*, long have passed their zenith, and the low-priced section is crowded. In 1975, Germany had only 23 women's titles; now there are 55 for the 23.8 million women over the age of 14.

After talking with various publishing rivals, Paris-based Hachette Group joined with Burda in a 50% joint venture last year to produce German *Elle*, which hit the newsstands Sept. 22, with 368 pages—164 of them ads—and a $3.33 cover price, far below *Vogue's* $6.11.

But *Elle* was not the only newcomer; a week earlier Gruner & Jahr introduced *Viva* with a 308-page folio, 149 pages of ads and a $3.05 cover price. Both are monthlies.

Elle printed 360,000 copies of its first issue, and *Viva* had a press run of about 300,000. *Elle* targets prosperous women between 25 and 35, who are interested in art, travel and fashion, and *Viva* has a similar target audience.

At this point nobody will venture which of these two will fare the better or even forecast whether the established premium-priced books such as *Vogue*, *Madame* and *Harper's Bazaar* will be pressured.

Dagmar Mussey is an ADVERTISING AGE *correspondent based in Duesseldorf, Germany.*

The German version of Elle is aimed at women aged 25 and 35 with interest in art, travel and fashion. Press run for its first issue was 360,000.

Data Bank

Percentage of single copy sales

for top 25 consumer magazines

Rank	Magazine	Total circulation (avg. 1/88-6/88)	Single copy sales as % of circ.
1	Modern Maturity	17,924,783	0.0
2	Reader's Digest	16,964,226	5.9
3	TV Guide	16,917,545	45.8
4	National Geographic	10,516,837	0.6
5	Better Homes & Gardens	8,152,478	7.3
6	Family Circle	5,900,794	71.2
7	McCall's	5,146,554	11.9
8	Woman's Day	5,138,280	97.7
9	Good Housekeeping	5,027,865	29.3
10	Ladies' Home Journal	5,013,761	18.3
11	Time	4,737,912	4.5
12	Guideposts	4,371,861	0.0
13	National Enquirer	4,303,631	89.5
14	Redbook	4,007,564	20.8
15	Star	3,623,058	85.4
16	Sports Illustrated	3,438,998	5.2
17	Playboy	3,405,786	26.6
18	Newsweek	3,315,369	5.4
19	People Weekly	3,277,839	53.7
20	Cosmopolitan	3,013,759	86.3
21	Prevention	2,975,149	7.6
22	American Legion	2,728,543	0.0
23	U.S. News & World Report	2,365,930	2.3
24	Southern Living	2,281,707	7.5
25	Smithsonian	2,280,808	0.5

Source: Audit Bureau of Circulations. Research: Kristine Stiven.

Top magazines by % of single copy sales

from publications with circulation exceeding 1 million

Rank	Magazine	Single copy sales as % of circ.	Total circulation (avg. 1/88-6/88)
1	Woman's World	100.0	1,401,689
2	National Examiner	98.2	1,135,744
3	Woman's Day	97.7	5,138,280
4	Globe	96.3	1,516,823
5	Weekly World News	95.9	1,021,708
6	National Enquirer	89.5	4,303,631
7	Penthouse	88.5	2,053,080
8	Cosmopolitan	86.3	3,013,759
9	Star	85.4	3,623,058
10	Soap Opera Digest	71.4	1,059,522
11	Family Circle	71.2	5,900,794
12	Mademoiselle	70.8	1,121,336
13	Glamour	68.9	2,130,148
14	Vogue	63.9	1,222,229
15	Self	56.3	1,225,360
16	People Weekly	53.7	3,277,839
17	New Woman	46.5	1,393,027
18	TV Guide	45.8	16,917,545
19	Country Living	35.8	1,706,932
20	Life	35.7	1,866,042
21	US Magazine	31.0	1,254,395
22	Good Housekeeping	29.3	5,027,865
23	'Teen	26.7	1,113,700
24	Playboy	26.6	3,405,786
25	Seventeen	23.2	1,803,549

Source: Audit Bureau of Circulations. Research: Kristine Stiven.

Media buyer

(Continued from Page S-32)

gate a rate increase, or may be poured back into the magazine to improve the editorial product.

"Newsstand sales can also act as a mechanism for subscription conversions.

"All those are important considerations, but in the overall scheme of things, the consideration of newsstand sales on their own is a small part of the total picture."

Leo Scullin, senior VP, director-new electronic & print media, Young & Rubicam, New York

"We're not of the mindset that newsstand sales are more important than subscriptions. The weight we put on it is the weight each magazine puts on it. We don't go into any planning situation with a leaning toward one or the other.

"Our contention is that each individual publisher and company has figured out the best way to make a profit and the best distribution mix for the magazine.

"The decision, therefore, is theirs, and we look at each individual case on its own merits.

"Most senior media and client people are now aware of the intricacies of circulation, and there's growing sophistication so the decision is never cut-and-dry in putting full weight on one type of circulation over the other."

—Kristine Stiven

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Golden Years expands nationally with a 400,000+ circulation based on Yankelovich's ideal model-matrix magazine readers (women, college educated, ages 55-64, with incomes above $45,000), and delivers national distribution into the homes in the top 10 ADI's, plus coverage in every important senior market in Florida
BPA consumer magazine audit membership applied for August 1988

(407) 725-4888/FAX# (407) 724-0736

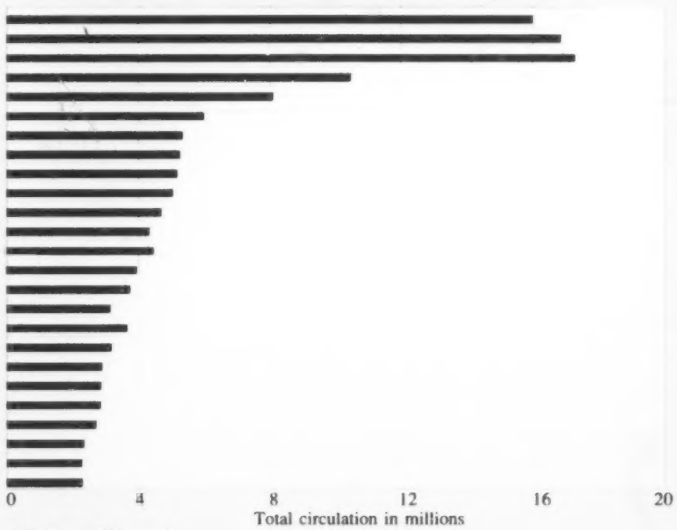
DATABANK

Advertising revenues per subscriber

for top 25 consumer magazines in circulation for six months ending June 30, 1988

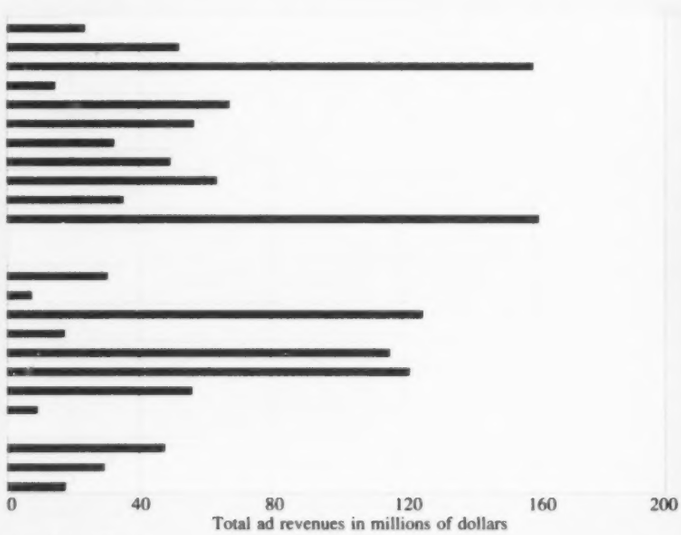
Total circulation

Magazine	1988	1987	% chg
* Modern Maturity	17,924,783	15,986,938	12.1
Reader's Digest	16,964,226	16,849,551	0.7
TV Guide	16,917,545	17,281,955	(2.1)
National Geographic	10,516,837	10,461,337	0.5
Better Homes & Gardens	8,152,478	8,093,630	0.7
Family Circle	5,900,794	5,994,327	(1.6)
McCall's	5,146,554	5,349,181	(3.8)
Woman's Day	5,138,280	5,263,894	(2.4)
Good Housekeeping	5,027,865	5,175,638	(2.9)
Ladies' Home Journal	5,013,761	5,043,143	(0.6)
Time	4,737,912	4,698,325	0.8
Guideposts	4,371,861	4,339,228	0.8
National Enquirer	4,303,631	4,460,407	(3.5)
Redbook	4,007,564	3,941,979	1.7
Star	3,623,058	3,743,658	(3.2)
Sports Illustrated	3,438,998	3,150,413	9.2
Playboy	3,405,786	3,672,063	(7.3)
Newsweek	3,315,369	3,181,187	4.2
People Weekly	3,277,839	2,892,137	13.3
Cosmopolitan	3,013,759	2,864,343	5.2
Prevention	2,975,149	2,855,926	4.2
American Legion	2,728,543	2,711,280	0.6
U.S. News & World Report	2,365,930	2,351,313	0.6
Southern Living	2,281,707	2,283,639	(0.1)
* Smithsonian	2,280,808	2,302,109	(0.9)



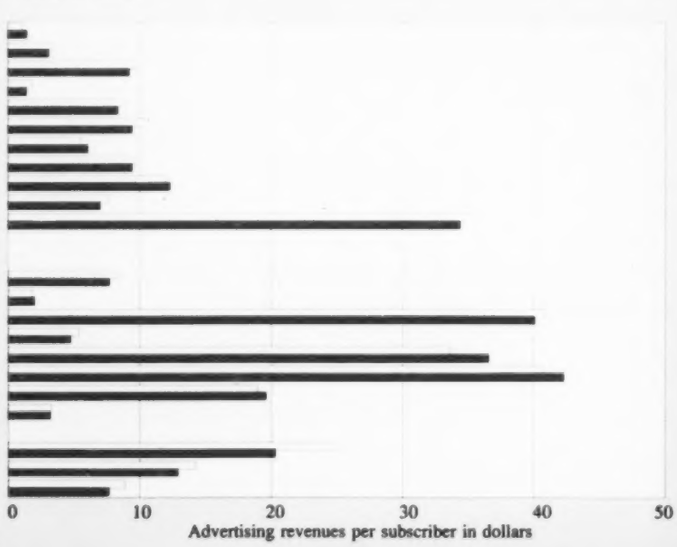
Total ad revenues ($ in millions)

Magazine	1988	1987	% chg
* Modern Maturity	$19.3	$23.6	(18.2)
Reader's Digest	59.3	52.4	13.2
TV Guide	162.8	159.8	1.9
National Geographic	19.5	14.7	32.5
Better Homes & Gardens	73.1	67.7	8.0
Family Circle	63.1	56.8	11.0
McCall's	28.7	32.6	(12.1)
Woman's Day	50.4	49.7	1.3
Good Housekeeping	60.1	63.9	(6.0)
Ladies' Home Journal	38.6	35.3	9.3
Time	166.5	161.6	3.0
Guideposts	NA	NA	NA
National Enquirer	NA	NA	NA
Redbook	33.3	30.5	9.4
Star	6.7	7.5	(11.0)
Sports Illustrated	163.7	126.3	29.6
Playboy	18.3	17.4	4.8
Newsweek	111.4	116.3	(4.2)
People Weekly	133.5	122.4	9.1
Cosmopolitan	57.2	56.2	1.8
Prevention	9.8	9.1	7.5
American Legion	NA	NA	NA
U.S. News & World Report	59.9	47.9	25.1
Southern Living	32.5	29.5	10.1
* Smithsonian	20.3	17.7	14.7



Ad revenues per subscriber

Magazine	1988	1987	% chg
* Modern Maturity	$1.08	$1.48	(27.1)
Reader's Digest	3.50	3.11	12.4
TV Guide	9.63	9.25	4.1
National Geographic	1.85	1.40	31.8
Better Homes & Gardens	8.97	8.36	7.2
Family Circle	10.69	9.48	12.8
McCall's	5.57	6.10	(8.6)
Woman's Day	9.80	9.44	3.8
Good Housekeeping	11.94	12.34	(3.2)
Ladies' Home Journal	7.69	6.99	10.0
Time	35.14	34.40	2.2
Guideposts	NA	NA	NA
National Enquirer	NA	NA	NA
Redbook	8.31	7.73	7.6
Star	1.85	2.01	(8.0)
Sports Illustrated	47.60	40.09	18.7
Playboy	5.37	4.75	13.0
Newsweek	33.61	36.56	(8.1)
People Weekly	40.72	42.30	(3.8)
Cosmopolitan	18.98	19.61	(3.2)
Prevention	3.30	3.20	3.1
American Legion	NA	NA	NA
U.S. News & World Report	25.31	20.35	24.4
Southern Living	14.25	12.93	10.2
* Smithsonian	8.89	7.68	15.8



Notes: Ad revenues are in millions of dollars. * indicates institution-sponsored magazine. All figures are for January through June only. In the graphs, white bars indicate 1988 figures; black bars indicate 1987 figures. NA indicates data not available. Sources: Circulation figures from Audit Bureau of Circulations Fas-Fax Report. Ad revenues from Publishers Information Bureau. Research: Kevin Brown.